

Assessment of Value

Discretionary Portfolio Service

FOR YEAR ENDED 31 DECEMBER 2025

UK INVESTORS USE ONLY

SPECIALISTS IN INVESTMENT MANAGEMENT

Welcome to the Quilter Cheviot annual assessment of value report

We produce this report to provide both existing and potential clients the results of our annual assessment on the value of our services and to provide insight into the activities we have completed during this period.

The report has been compiled in line with Quilter Cheviot's current understanding of the requirements set out by our industry regulator, the Financial Conduct Authority (FCA). We have fully embraced the ideals it represents and the monitoring required to support our conclusions, as a permanent and ongoing part of our business culture.

It should be noted that this is the fourth year this report has been compiled in this way, and it is expected to develop and be enhanced over time.

Based on the assessment work conducted by Quilter Cheviot, the outcome of the assessment is that the Discretionary Portfolio Service continues to offer clients good value for money.



John Goddard
Chief Executive

Discretionary Portfolio Service (DPS) assessment of value basis

Overview

This document seeks to demonstrate how the DPS provides value for a client based on our assessment against the five pillars we have chosen, and the methodology explained below.

The five key areas are based on the areas identified in the FCA Consumer Duty rules (Principles for businesses, PRIN, rules) and most of the topics within the five pillars can be measured. The report is produced internally, and has been subject to challenge by our Governance function, Executive Committee and by our Board which includes Non-Executive Directors.

Brand

It is our belief that the perception of value also extends to the client and their adviser's view on the strength and culture of the firm that they are dealing with. Quilter Cheviot's focus on providing exemplary personal service and our drive to build and preserve the wealth of clients has been more than 250 years in the making. We are proud that this continues today and is demonstrated in long-standing relationships with c.35,000 clients*. Quilter Cheviot and our parent company continues to invest in our people, systems and infrastructure to provide services and products to meet our clients' requirements as well as meeting the rules and expectations of our Regulators.

* as at 31 March 2026



Our people

Clients can have confidence in the level of continuity, stability and expertise they receive. Clients and financial advisers have direct contact with a dedicated Investment Manager who is responsible for delivering the service and managing their portfolio. With 11 offices across the UK, clients can meet their investment manager and their team at the at an office that is most convenient to them.

We pride ourselves on the expertise of our investment managers, who have an average of over 10 years' service at Quilter Cheviot and 19 years in the financial sector. All undertake continual professional development to keep them abreast of changes in the investment world and client care, including understanding vulnerability and inclusion.

Research is the cornerstone of our business. Our 19-strong research team work with our investment managers to provide access to investment insights and strategies globally. Our unbiased and impartial approach means the investment manager can build an investment portfolio that is tailored to the client's needs and can evolve with them.

Investment process

Responsible investment is built into our research and the management of portfolios. This includes consideration of Environmental, Social and Governance (ESG) and stewardship factors in investment selection as well as active engagement with companies, including voting.

The service offers multi-asset portfolios, so all clients benefit from all the research conducted by the firm, whether this relates to asset allocation, stock, bond or fund selection.

Financial strength

Our operational efficiency and processes are key to the smooth running of accounts and provide assurance that our custody arrangements are secure and our clients' money is kept safe.

Quilter Cheviot is regulated by the FCA and is part of Quilter plc, a leading provider of financial advice, investments and wealth management with over £141.9 billion in client investments (as at 31 March 2026). This comes with financial strength and assurance to give confidence to our clients that Quilter Cheviot is equipped and manages to provide the service and investment outcomes that our clients expect.

About the DPS

This service offers the selection and ongoing management of investments to meet the needs and requirements of clients, with the decision to make changes to the portfolio taken by the Investment Manager. Clients' individual requirements such as tax considerations, withdrawal or reinvestment, investment preferences, and responsible investment preferences are considered in the implementation of the service. Each client has a dedicated Investment Manager who can work with the client's financial adviser as required.

The service includes the investment management of the portfolio, suitability assessment of the investments, full portfolio reporting, payment of withdrawals from the portfolio or reinvestment of income, client meetings and custody of the assets.

There are about c.25,000 clients using the DPS with a total of £27.6bn under management (as at 31 March 2026).

Our investment process supports eight main strategies at an asset allocation level and maintains a number of models per strategy. A client's portfolio is aligned to one of these models depending on their objectives, requirements and personal preferences.

Distribution strategy

The DPS is distributed through two key channels, either advised by a regulated financial adviser or directly to clients. Where an adviser is involved, aspects of the relationship management with the client can be shared.

Quilter Cheviot facilitates initial and ongoing adviser charges and has controls in place to ensure that the levels of charges are reasonable.

The service is distributed in line with the Target Market www.quiltercheviot.com/target-market



The Assessment

The assessment is based around five main pillars:



Product and service design

- How Quilter Cheviot ensures that our products and services are designed and supported to meet the needs of the client including those with vulnerabilities.



Price and value - performance

- As part of the client outcome, we look at the performance of the portfolios against cash return and the strategy benchmark as well as the expected maximum draw-down.



Price and value - cost

- The charges for the service and costs of the portfolio including the charges of any funds that are held.



Client understanding

- How we ensure that our documentation including our cost and charges reports are understood by the client and how we ensure that we meet the needs of vulnerable clients.



Client service and support

- An assessment of the service we offer, the timely delivery of reporting, the security of data, the quality of client contact, updates for suitability assessments and the interest paid on cash deposits.

The assessment is based over 30 different topics that can be measured to provide a summary of our standard or achievement. Each item is red-amber-green (RAG) rated leading to an overall assessment.

For the DPS, an important part of our assessment is the consideration of performance. Please note that this is based on the average return achieved for portfolios aligned to the strategies and is not an individual portfolio value assessment as there can be many reasons for divergence in performance and in the service provided.

What our ratings mean:



Provides good value:
expected standard
achieved















Provides good value:
expected standard
achieved but
improvement needed



Does not provide good
value: action needed to
improve or change

Assessment of value - summary of our findings

Assessment of value - summary			DPS 2025	DPS 2024
The Quilter Cheviot Discretionary Portfolio Service provides good value to clients who want their investments managed.				
Product and service design	How does Quilter Cheviot design and manage its propositions in the interests of the end clients?	Quilter Cheviot's governance, training, and resources—including the oversight of its Discretionary Portfolio Service (DPS)—are aligned to deliver good client outcomes. Clients are placed at the centre of the business and have direct, long-term access to our staff, enabling strong relationships and a service focused on consistently achieving positive results.		
Price and value - performance	How have client portfolios performed?	Client portfolios delivered positive returns in 2025, with most strategies performing broadly in line with long-term expectations. Compared with other investment managers, Quilter Cheviot's results remain competitive across multiple time periods. Quilter Cheviot continues to focus on strengthening long-term performance and client outcomes.		
Price and value - costs	Can clients expect a positive return after costs?	The vast majority of clients within our DPS investment solutions fall within the expected and realised cost range modelled to generate positive net-of-fees returns across the investment cycle. Quilter Cheviot charges are stable, with no changes expected.		
Client understanding	Does the information provided help the client to understand the service and their portfolio?	The information provided continues to be clear, timely, and well-understood by clients, with overall understanding remaining strong. Vulnerable client needs are consistently identified and supported, and client feedback this year reflects improved clarity across our materials. Quilter Cheviot will continue to refine and enhance our communications throughout 2026 to further strengthen client understanding.		
Client service and support	Have clients received an appropriate level of client service and do we expect to provide good service in the future?	The service provided to clients has continued to perform well, with feedback indicating that overall service levels remain above average. Key processes—including reporting, suitability, and IT reliability—continued to operate effectively, and only minimal client movement was seen over the year.		

A more detailed breakdown of our Assessment of Value is available on request from your Investment Manager or Business Development Manager.



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Investors should remember that the value of investments, and the income from them, can go down as well as up and that past performance is no guarantee of future returns.
You may not recover what you invest.

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